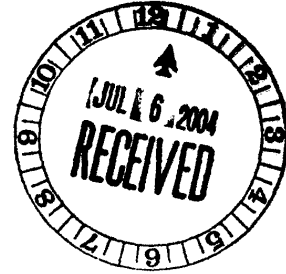




The David J. Joseph Company



July 2, 2004

RECORDATION NO. 22010-F FILED

Mr. Vernon Williams
Recordations Unit
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0006

JUL 06 '04

3-37 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Please find enclosed, (2) originals of the Memorandum of Railroad Equipment Lease Agreement dated as of June 11, 2004 between the following parties:

Lessee: Consumers Energy Company
One Energy Plaza
Jackson, MI 49201

Lessor: The David J. Joseph Company
300 Pike Street
Cincinnati, OH 45202

Please see Exhibit A attached hereto for the equipment, three hundred (300) railcars, involved in this transaction.

This filing is to appear in the index as follows: Memorandum of Railroad Equipment Lease Agreement dated June 11, 2004 related to three hundred (300) railcars bearing reporting marks PSTX 7001-7308, sporadic.

Please file this agreement as a primary document. The amount of \$30.00 is included on the enclosed check No. 559645 for the filing fees for this document. Please return a stamped original to my attention.

Should you have any questions or need further information, please do not hesitate to contact me at (513) 419-6062.

Sincerely,

The David J. Joseph Company

Julie M. Woodard
Documentation Coordinator

Enclosures

RECORDATION NO. 22010-F FILED

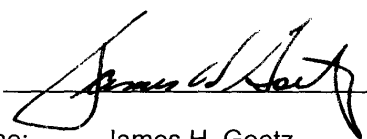
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MEMORANDUM OF
RAILROAD EQUIPMENT LEASE AGREEMENT SURFACE TRANSPORTATION BOARD

This **MEMORANDUM OF RAILROAD EQUIPMENT LEASE** ("Memorandum of Lease") entered into this 11th day of June, 2004, is intended to evidence the lease dated as of June 11, 2004 (the "Lease"), between **THE DAVID J. JOSEPH COMPANY**, a Delaware corporation ("Lessor"), and **CONSUMERS ENERGY COMPANY**, a Michigan corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board under Section 49 of U.S.C. 11301. Lessee has the right to use the three hundred (300) railcars described in Exhibit A attached hereto (the "Units"). Lessee is renting from Lessor all the Units at the rentals and upon the terms and conditions provided in the Lease.

IN WITNESS WHEREOF, Lessor and Lessee, each pursuant to due corporate authority, has executed this Memorandum of Lease on the date indicated below its signature.

THE DAVID J. JOSEPH COMPANY

By: 
Name: James H. Goetz

Title: EVP & CFO

Date: June 11, 2004

CONSUMERS ENERGY COMPANY

By: 
Name: W E GARRITY

Title: VICE PRESIDENT ELECTRIC & GAS SUPPLY

Date: 6/28/04

DLG

STATE OF OHIO)
)
COUNTY OF HAMILTON)

SS:

The foregoing instrument was acknowledged before me this 11th day of June 2004,
by James H. Goetz, the Executive Vice President and Chief Financial Officer of The
David J. Joseph Company, a Delaware corporation, on behalf of the corporation.



Linda M. Baughman
Notary Public

STATE OF Michigan)
)
COUNTY OF Jackson)

SS:

The foregoing instrument was acknowledged before me this 28th day of June
2004, by WE GARRITY, the VICE PRESIDENT ELECTRIC & GAS SUPPLY
Energy Company, a Michigan corporation, on behalf of the corporation.

Barbara A. Palowski
Notary Public

My Commission expires:

October 24, 2004

EXHIBIT A

To the Memorandum of Lease dated June 11, 2004, between The David J. Joseph Company and Consumers Energy Company.

DESCRIPTION OF UNITS

Three hundred (300) railcars bearing reporting marks as follows:

PSTX 7001-7028, Inclusive
PSTX 7030-7036, Inclusive
PSTX 7038-7083, Inclusive
PSTX 7085-7175, Inclusive
PSTX 7177-7247, Inclusive
PSTX 7249-7288, Inclusive
PSTX 7290-7291, Inclusive
PSTX 7294-7308, Inclusive